## Wealth Markets and Commerce





### Liberty Loans

New folder containing:

1. Complete descriptions of original and converted

2. Tables showing yields afforded by each issue at a wide range of prices.

Useful and convenient. Will be furnished upon requestor AK-197

### The National City Company

Main Office: National Car Bank Beniding orrespondent Offices in 31 Cities

## We Finance

Electric Light, Power and Street Railway Enterprises with Records of Established Earnings.

## We Offer

Bankers and Investment Dealers Proven Public Utility Securities.

Perrespondence Soliciteà

Electric Bond & Share Co. 71 Broadway, New York

## STANDARD

STANDARD OIL ON REQUEST

## Texas Pacific Coal & Oil Stock J.K.Rice, Jr. & Co. part of holders who desired to es-

## Liggett & Drexel

American Locomotive Co. cular on Request 61 Broadway -- New York

Bonds for Investment | tages of an obligated States government.

BANKING HOURS FROM 8 A. M. TO 8 P. M.

SAFE DEPOSIT VAULTS 8 A. M. TO MIDNIGHT

DIVIDEND NOTICES THE BANK OF AMERICA.

Price Trend on the New York Stock Market

Short Term Notes

## Finance - Economics

WALL STREET OFFICE: Mills Building, 15 Broad St.

fundamental conditions, the week lowest since July, while loans for in Wall Street was characterized fixed periods were arranged at 51/2 by generally declining security per cent for the shorter maturiprices. Railroad and industrial is- ties. In the commercial paper marsues both moved toward lower lev- ket there was active competitive els throughout the greater part of bidding by the banks for the availthe period, with the reactionary able supply of discounts, and rates problem of future control has been quarters indicates that these re- ket. Readjustment to peace conditions trial stocks declined from a peak of solved. Director General McAdoo strictions will probably be kept in of the exchanges, therefore, implies a 104 at the close of 1916 to 72 toward did not help matters last week, force until after the next governfrom the viewpoint of the stock ment loan has been floated next market, when he predicted lower spring. freight rates within twelve months if his five-year control plan is adopted, declaring at the same time that railroad wages must not be reduced. The question of railroad control comes before the Senate Committee immediately after the

Industrial stocks lost ground last | January 1 to date: certainties that surround the gen- 1917 .. tion. Offerings were not heavy, but the disposition of the trading eleto decrease the buying power so RTrs.

There were two outstanding developments in the investment bond market last week which attracted widespread attention. First, was the heavy selling of Liberty bonds. 131,826,000 \$286,504,000 \$200,281,000 \$00 \$1,129,620,000 \$286,504,000 \$200,281,000 \$2 heavy selling of Liberty bonds, re- All bonds. sulting in a decline to new low record prices; second, a testing of the bond market by the flotation of an CARLH.PFORZHEIMER&CO. issue of long-term railroad bonds. Phone 48 6-1-2-3-4 Broad 25 Broad St. N.Y. The selling of Liberty bonds was explained in various ways. It was stated that many persons who bought bonds for patriotic reasons no longer felt it necessary to keep their holdings, also that there was probably considerable selling on the tablish losses in anticipation of income taxes and could not do so without actually disposing of their securities. Undoubtedly the need of holiday money has caused many small holders to sell out, and the aggregate of all the offerings was more than the market could absorb without depressing prices. As a result of the decline in the 4'is the income yield has risen to well above 41/2 per cent, which is high for a bond possessing the advantages of an obligation of the United

Harris, Forbes & Co.

Pine Street, Corner William

NEW YORK

The quick sale of \$50,000,000 of Pennsylvania Railroad 5 per cent long term bonds was both interesting and important from the Wall Street viewpoint, for it represented the largest piece of railroad financing that has been undertaken in a great many months. The success of the offering was foreshadowed, however, a fortnight ago, when the was possible early 30 industr's. 88,83 73.37 97.40 65.77 66.52 89.30 87.86.5

1917.

High. Low. High. Low. out difficulty, and it was absorbed with two difficulty, and it was possible early 30 industr's. 88,83 73.37 97.40 65.77 65.70 for stocks and bonds. From then on until 1917 Wall Street enjoyed booms in a great many months. The success of the offering was foreshadowed, however, a fortnight ago, when the was considered extending the war was considered extending the war was considered extending in the so-called "war babies."

FREDERIC H. HATCH & CO.

Phase Rector 6340, 74 Broadway, New York Englishment to Blastom.

Those was also of the officing was foreshadowed, however, a fortnight ago, when the was of the prices of the basic commodities. John the war in the states government.

1918. 1917.

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1918. 1917.

1918. 1919. Low. High. Low. Underthe minimum prices, thus restoring a free and open market for stocks and bonds. From then on until 1917 Wall Street enjoyed boom in governmental regulation. The lack of a find with the solution shared any minimum prices. Thus the price of the South was absorbed with the country indiged in a freezy of shale with the country indiged in a freezy of shale with the country indiged in a freezy of shale with the country indiged in a freezy of shale with the country indiged issue. Now that the ice has been HARRIMAN NATIONAL BANK broken other new railroad financing may be looked for, in fact, the end of the week saw the completion of arrangements for a new issue of St. Louis & San Francisco ten-year

> Offerings of money exceeded the demand in the local market last week, with the result that rates has to-day de-defined of fifteen cell money got down to 211 call money got down to 31/2 per First National 960 (89) Yorkville

# Without important change in cent at the close of the week, the

Stock Exchange Transactions

Rail Other first of the year, when it is to be hoped that the outline of some defiWeek bef. 343,100 2,155,500 2,498,600

Last w'k. 454,100 1,782,300 2,236,400 of fighting the imperial German govWeek bef. 343,100 2,155,500 2,498,600 or fighting the imperial German govthe best interests of the country.

To correct this state of affairs the nite plan of control can be evolved. Year ago. 605,000 2,052,500 2,657,500 of the nation.

Week that prices gave way easily at times. Others. 18,895,000 12,975,000 10,026,000 regulated.

1,944,153,000

	Sto	cks		
	Lasty	veek.	Weekb	efore.
	High.	Low.	High.	Low.
20	Railroads. 73.85	72.00	75.35	73.70
30	Industr'ls 84.37	32.90	85.47	83.70
50	Stocks 80.16	78.54	81.24	79.72
9.	Bor	ıds		
	Lasty	veek.	Weekb	efore.
	High.	Low.	High.	Low.
10	Railroads, 84.51	83.43	85.01	84,45
10	Industr'ls. 94.07	93.95	94.11	93.87
5	Utilities88.70	88.30	88.60	87.72
25		88.62	89.29	88.93
	(Same week	last v	ear)	

		H	igh.	Low.
20	Railroads	62	2.45	60.30
30	Industrials	68	3.33	65.77
50	Stocks	65	5.50	63.58
	Bor	ıds		
10	Railroads	79	9.11	78.65
10	Industrials	88	3.85	87.42
5	Utilities	90	0.16	90.06
25	Bonds	85	5.13	84.64
1 8	January 1 to date			
	Stor	cks		
1	191		19	17.
		Low.	High.	Low.
20			89.35	
30	121.00.00		97.40	65.77
50	Stocks84.08	70.30	91.24	63.58
	Bo	nds		
	191	8.	19	17.
	Trich	The same		

	Bid	Ask		Bla
America	490	-	Garfield	
Atlantic Am Exchange	1165	1.80	Gotham Nat	170
Am Exchange	220	220	Continue Sat	
Hattery	190	210	Greenwich	375
Bowery	390	420	Harriman	245
Bryant Park	150	420	Hanover	740
Broadway Cent.	1 607	N/A	Imp & Trad	515
Broadway Cent.	140	150	leving National	270
Bronx Nationa	1 150	160	Liberty	410
Butch & Drov.		23	Lancoln	250
Chase	400	-419	Manhattan Co.	180
Chat & Ph	240	250	Mornin & Mornin	330
Chelsea Exch.	120	1	Metropolitan	170
Chemical	405	-	Mutual	575
Citizens' Nat	215	225	Merchants	120
City	460			200
Coul & Iron	220		N Y N B A	
Commerce	198	292		420
Colontal	350	1000	Park	135
Continental	104	110	Pacific	
Columbia		165	Produce Exch	135
Corn Exch	330	1000	Public Exen	200
Cosmopolitan	85	100	Single	225
Commercial Ex.	200	100	Sherman Scaboard	120
Commonwealth	195	9.01	Scattored	450
Chiba	193	101	Second	395
Part Dieses	181	183	State	118
East River	20	43	23d Ward	103

1918, and the weekly high, low and closing average prices since July 1.

### Market Barometers

Stocks

All k'ds 86,772,000 54,782,000 27,864,000 Money Restrictions January 1 to date:

Stock and Bond Averages

			The second second	New Time
	Sto	cks		
	Lasty	veck.	Week	efore
	High.	Low.	High.	Low
20	Railroads 73.85	72.00	75.35	
30	Industr'ls 84.37	32.90	85.47	83.70
50	Stocks 80.16	78.54	81.24	79.72
	Bor	nds		
	Lasty	veck.	Weekb	efore
	High.	Low.	High.	Low
10	Railroads, 84.51	83.43	85.01	84.45
10	Industr'ls. 94.07	93.95	94.11	93.87
5		88.30	88.60	87.72
25	Bonds 39.16	88.62	89.29	88.93
	(Same week	last y	ear)	
	1427	A CONTRACTOR		

O	CKS			- 20
	Hi	gh.	Low.	ti
	62	2.45	60.30	W
011	68	3.33	65.77	ti
300	65	.50	63.58	iı
31	ıds			f
859	79	.11	78.65	I
	88		87.42	n
	90		90.06	p
818	85	.13	84.64	11
tε				d
	cks			24
	18.	19	17.	1
	Low.	High.	Low.	o
5	66.12	89.35	60.30	i
	73.37	High. 89.35 97.40	65.77	ti
3	70.30	91.24	63.58	f
0	nds			u
93	8.	1.6	17.	i
		High.	Low	I
930	2221111111111111	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	10 to	III de la constante de la cons

			CONTRACTOR OF THE PARTY OF THE
(	Bit	Ask	Bld
America	490	Garfield	170
Atlantic Am Exchange	155	180 Gotham	Vat 200
Am Exchange	220	230 Greenwich	375
Hattery	190	210 Harriman	245
Bowery	390	420 Hanover	740
Bryant Park	150	- Imp & T	rad 515
Broadway Cent.	140	150 frying Na	tional 270
Bronx National	150	160 Liberty	GIOTEKI, ZZU
Butch & Drov.	19	23 Lincoln	410
Chase	400	415 Manhattar	250
Chat & Ph	240	250 Mech &	Co., 180
Chelsea Exch.		- Metropolit	Metals, 330
Chemical	405	Area politi	wit 170
Chemical Chizens' Nat	215	Mutual	575
City	460	225 Merchants	120
Coul & Iron	220	Ago Sen. Sell	erlands 200
Commerce	198	480 New Nett 292 N Y N P 292 N Y Co	A 420
Colontal	350	202 3 1 60	135
Continental	104	Tark	530
Columbia		THE CONTRACTOR OF THE CONTRACT	1725
Corn Exch		165 Produce 1	
		- Public	225
Cosmopolitan	80	100 Sherman	120
Commercial Ex.	399	- Scaboard	450
Commonwealth	190	Second	206
Cuba	181	185 State 25 23d Ward	118
East River	20	25 23d Ward	103
13fth Nathernal	200	220 1 2000 12	

## Lifting War-Time Restraints On Securities and Commodities

Although the Process of Setting All Markets Free Has Begun They Are Steel Bound and Regulated

THE term "reconstruction," which | that the country must scrap its "busiis perhaps the most popular word ness as usual" slogan and get into the of the day, has a special mean- war up to the hilt, and the wholesale tendency most pronounced in the got down to a working basis of 512 ing when applied to America's stock conversion of industry for war purrailroad group, where liquidation of to 5% per cent against a level of and commodity markets. Inasmuch as poses, began to be reflected in the seinvestment holdings made itself 6 per cent for more than a year. has been demolished by the machine fall, for it was seen that the big profits felt. It was plain from the action Supplies of money are apparently guns of the foe, there is no need of that were being obtained on war busiof the rails that the owners of more than ample to meet all needs. physical rebuilding. Moreover, in the ness for the Allies could no longer be securities of this character are Despite this fact, however, the re- judgment of representative brokers, expected. much perturbed over the outlook. Strictions on Stock Exchange loans, there is no necessity for revolutionizing the traditional methods of trading the tradit enter into new commitments in rail- September 16, still stand, and in- and price fixing by the free play of Undue Speculative Activity road stocks until the vexatious formation obtained in banking supply and demand in the open mar- The average price of thirty indus-

week largely as a result of the un-.22,870,800 155,164,400 177,930,200 of the brokers and their love of the This action was taken in November, eral financial and industrial situa- 1916. 36,589,500 189,368,800 225,958,300 trading game impel them to chafe un- 1917, when stocks were weakest and der the continuance of war-time fet- sentiment was most unsettled. The ex-Year ters. Since November 11 the process change rule did not, of course, forbid ment to await developments tended

Last week. before. before. of setting the market free has begun short selling; it merely required the

U.S. g.\$61,986,000 \$37,760,000 \$14,329,000 but they are still bound and tied and names of the sellers, together with a

Curtail Stock Operations

speculative activity at a minimum, for it limits the amount of money that Warnings Issued Against brokerage houses can borrow from the banks for use in financing market operations. It has been hinted of late that this restriction might soon be removed, but the lifting of the ban on credit is a matter that rests chiefly in the hands of the Treasury Department.

Since the outbreak of the war, in 1914, the security markets have experienced various degrees of artificial control, with interesting results. After the storm broke the exchanges closed their doors for several months, and it was not until late in the fall of 1914 that trading was resumed, with minimum prices in force to prevent prices from falling to dangerously low levels. It was feared that foreign liquidation might cause a drastic decline in prices, already at low-record levels, and possibly bring about a financial brokerage houses can borrow from the Undue Speculative Activity rices, already at low-record levels, and possibly bring about a financial Cotton Exchange Free ebacle. But no such thing happened, From Outside Restraints id, although there was steady liquida- The New York Cotton Exchange has

must be given the right of way over private capital requirements, and the first artificial control of the money market began. A committee was organized, which is still in existence, made up of bankers, with a pool of \$200,000,000 at its disposal, to be used in stabilizing money rates. By drawing all contracts of purpose and sale. 450 475 and upon the pool the committee has 5130 455 from rising above 6 per cent.

309 415 from rising above 6 per cent.

300 320 350 Meanwhile, the general recognition

by Artificial Conditions

the end of 1917 as a result of steady In the markets of Wall Street the re- liquidation. It was during this period adjustment to the new conditions con- of declining prices that the Stock Exstitutes a struggle to free them from change authorities took action to stop the extraordinary war-time restric- what was described as "vicious" short tions which have been imposed by the selling. There was a feeling in the traders voluntarily and by the govern- Street that certain professional inment. So far as the machinery of the terests enemy propaganda was also market is concerned, the present drive charged but never proved-and others onward to peace conditions is directed were overdoing the selling for the deagainst paralyzing restraints, which cline, and that the tactics practised were deemed necessary while the task, were uncalled for and subversive to

Stock Exchange put into effect a rule With the dramatic clash of military calling for data which would make it description of the stocks borrowed and loaned for purposes of short selling. This caused the closing out of many short accounts, and, although Wall Street has not yet a free mar-through December, the following the decline in prices continued \$286,504,000 Wall Street has not yet a free mar200,281,000 ket for securities. Most of the war485,938,000 time restrictions on the Stock Exchange have been lifted, but there still remains the all important limitation imposed in October upon the volume of credit available. This tends to keep

verages

Wall Street has not yet a free marthrough December, the following month, January of the current year, saw a substantial recovery set in. The change in sentiment, due to a combination of factors, chief of which was the government's war programme, made it possible to abundon the daily reports of short selling operations.

spring of 1917 put a new complexion upon the whole situation. Government borrowings suddenly became enormous. It was soon found that the government must be given the right of way over private capital requirements, and the mally appropried.

On November 13, last, the cotton dis

On November 13, last, the cotton distribution committee stepped into the ring and forbade short selling, when it seemed that the bottom might fall out of the high cotton prices. But a short time later the ban on short sales was lifted, and now the only important war-time restriction that remains is the rule limiting the daily fluctuation of prices to 200 points. In August, 1917, to prevent wild changes in prices on a single day, the exchange limited the rise or fall to 300 points, and in October of this year changed it to 200. A similar restraint has been fixed by the Board of Managers of the Liverpool Exchange.

The relatively high price of cotton during the latter part of the war period made the fluctuations seem unprecedented, and increased the animosity of the grower toward the cotton broker. The disparity between the price of futures usually being much loweralso stimulated a feeling of unfriend-liness, in the land of cotton against the future exchanges, and denunciations of them became so effervescent, not only in the Southern press, but also on the part of Representatives and Senators from states below the Mason and Dixon line, that the Department of Agriculture some months ago held hearings to determine anew whether futures exchanges could find any good economic reasons to justify their existence. Representatives of the local cotton exchange brought out very lucidly at the investigation the fact that the prejudice of the government purchasing departments against low grade cotton, which was acceptable in future deliveries, but not in spot sales, accounted to a large extent for the disparity, and argued forcibly that the privilege of hedging against price changes which the future exchanges The graph above shows average price of twenty railroad stocks in one line and thirty industrial stocks in the other on the first business day of each month from January, 1915, to July,

Continued on page twelve

# The Royal Bank of Canada

. Forty-Ninth Annual Statement **NOVEMBER 30, 1918** LIABILITIES

21.12.2.120	
Capital Paid Up	\$ 14,000,000.00 15,000,000.00
Undivided Profits	535,757.19
Dividend No. 125, payable December 2, 1918	
Notes in Circulation	
Deposits	
Due to other Banks	
Bills Payable (Acceptances by London Branch)	
Acceptances Under Letters of Credit	10,162,629.56
	\$427,512,982.91

ASSETS	
Cash on Hand and in Banks.  Deposit in the Central Gold Reserves.  Government and Municipal Securities.  Railway and Other Bonds, Debentures and Stocks.  Call Loans in Canada.  Call Loans elsewhere than in Canada.	\$ 83,235,138.22 26,000,000.00 66,220,862.27 15,084,414.64 10,067,481.94 24,374,191.40
	224,982,088.47
Loans and Discounts Liabilities of Customers under Letters of Credit as per contra Bank Premises Real Estate other than Bank Premises Mortgages on Real Estate sold by the Bank Deposit with Dominion Government for Security of Note Circulation	183,864,338.79 10,162,629.56 6,492,011.85 1,171,131.69 97,963.80 742,818.75

### PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1917 \$ 564,264.53 Profits for the year, after deducting charges of management and all other expenses, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured bills . . . .

- \$ 3,374,110.77 APPROPRIATED AS FOLLOWS: Dividends Nos. 122, 123, 124 and 125, at 12 per cent. per annum
Transferred to Officers' Pension Fund...... 1,614,702.00 Written off Bank Premises Account..... War Tax on Bank Note Circulation..... 133,651.58 40,000.00 50,000.00 Contribution to Patriotic Funds
Contribution to Halifax Relief Fund

\$ 3,374,110.77

C. E. NEILL,

General Manager

\$427,512,982.91

## RESERVE FUND

Balance at Credit 30th November, 1917. Premium on New Capital Stock issued to Northern Crown Bank Shareholders
Transferred from Profit and Loss Account...... 500,000,00 Balance at Credit 30th November, 1918 ..... \$ 15,000,000.00 H. S. HOLT, EDSON L. PEASE.

President. Montreal, 18th December, 1918.

Contribution to Patriotic Funds.

Balance of Profit and Loss carried forward.....

Transferred to Reserve Fund.

New York Agency: Corner William & Cedar Streets. F. T. WALKER, C. E. MACKENZIE, AGENTS. J. A. BEATSON,

Managing Director.



THE DIRECTORS AND OFFICERS

PHILIPPINE NATIONAL BANK MANILA, P. I.

ANNOUNCE the removal of the New York Agency to Number Thirty-seven Broadway, New York

DECEMBER NINETEEN EIGHTEEN

NEW YORK

PITTSBURGH

RESOURCES \$116,000,000

\$1,300,000

FIRST MORTGAGE SEVEN PER CENT. MARINE TRUST BONDS

Dated November 1st, 1918

\$300,000 May 1, 1919 \$200,000 Nov. 1, 1920 300,000 Nov. 1, 1919 -150,000 May 1, 1921 200,000 May 1, 1920

150,000 Nov. 1, 1921 These Marine Trust Bonds, two identical issues of \$650,000 each, are secured upon two recently completed steel steamships.

The vessels are being operated under contracts which provide for the full amortization of the issues, which the first two maturity payments reduce almost 50%.

In addition, a Redemption Fund is provided.

Price and descriptive circular on application.

IMBRIE & Co.

BANKERS

CHICAGO MILWAUKEE